Federal Communications Commission

WASHINGTON, D.C.

WASHINGTON, D

To: The Commission

## <u>PETITION FOR RECONSIDERATION</u>

Pegasus Communications Corporation ("Pegasus"), by its attorneys, hereby submits its Petition for Reconsideration of the Commission's <u>Sixth Report & Order</u> (the "<u>Sixth Report</u>") in the above-captioned proceeding. As set forth in greater detail below, Pegasus requests that the Commission review the power disparity between UHF and VHF stations contained in the Table of Allotments adopted in the <u>Sixth Report</u>, as that power disparity creates an unfair competitive imbalance in the local television marketplace. Pegasus also raises issues with specific allotments for two of its stations in Pennsylvania.

## **General Issues -- UHF/VHF Disparity**

Pegasus is aware of a Petition for Reconsideration to be filed this date by Sinclair Broadcast Group, Inc. ("Sinclair"), urging the Commission to re-evaluate the power disparity between current VHF stations that will be operating on the UHF band following the digital

No. of Copies rec'd List A B C D E

Pegasus is a publicly traded corporation, which is the parent of licensees of seven UHF full-power television stations. As such, it has a great stake in the treatment of UHF stations in the digital world.

transition and those UHF stations which will continue to operate on the UHF band. The comments of Sinclair apparently urge the Commission to concentrate on providing stations with digital signals which replicate their existing service within their core service areas, concentrating on the replication of the level of service provided by stations within their Grade A contours, rather than attempting the much harder task of replicating service to the more distant Grade B contour. The Commission's concentration on replicating service to the Grade B contour, creating as it does the anomalous result of vast disparities between the digital power levels assigned to current VHF and UHF stations when both are operating digitally on the UHF band (current VHF stations end up with power levels of 20 times greater than that given to most current UHF stations), appear to decrease the competitiveness of UHF stations in their core markets.

Pegasus shares Sinclair's concerns on this issue, and on the related issues concerning the technical assumptions which the Commission has used to determine the service areas of digital stations. Pegasus believes that the disparity of digital power between current VHF and UHF stations in the digital environment is not in the public interest. The Commission has traditionally fostered competitive parity within markets, rather than promoting competitive imbalances. The Commission has in the past reviewed its actions to assure that they had no adverse impact on UHF development. While the Commission abandoned use of the formal UHF Impact Doctrine in 1988, the Commission has never abandoned its commitment to the concept that technical equivalency between competing stations promotes a robust broadcast environment that serves the

public interest<sup>2</sup>. The Commission has always believed that stations that are technically equivalent will be stronger financially and more able to provide a higher quality of service to the public.

Yet the <u>Sixth Report</u>, which had the opportunity to redress this competitive imbalance once and for all, instead abandons this concept by focusing, without any public interest analysis, on the concept of Grade B service replication. The focus on replication compounds the competitive imbalance, rather than encouraging the technical equivalency that has so long been the hallmark of Commission policy. Moreover, the concentration on the Grade B service area, rather than on the core service area more closely approximated by the Grade A contour, further exacerbates the problem by creating anomalous situations where distant stations are protected to the detriment of a local station attempting to better serve its own core market area.

Therefore, Pegasus submits that the Commission should reevaluate its Table of
Allotments and concentrate on maximizing equivalency of all stations within their Grade A
service areas, and with secondary concern with the concept of service replication to the Grade B

In eliminating the application of its UHF impact policy to all instances where the improvement of the signal of a VHF station could have an impact on a UHF station, the Commission looked at the substantial technical equivalency that the two services had achieved as justifying the elimination of the review. The Commission specifically focused on rule changes which fostered this equivalency, citing examples of requirements that television receivers have tuners that lock into UHF and VHF channels in a similar fashion, and requiring that receivers have antennas that receive both UHF and VHF stations. "These requirements have resulted in improvements to television receivers that have substantially alleviated the technical disparities between over-the-air reception of UHF and VHF signals." Report and Order on Policies Regarding Detrimental Effects of Proposed New Broadcast Stations on Existing Stations, 3 FCC Rcd 638, 64 RR2d 583, para.28 (1988). By creating the large discrepancy in power that current UHF and VHF stations will have on their digital channels, the Commission in effect has revived the technical competitive imbalance which it thought was eliminated in 1988.

contour. The Commission should adopt rules providing stations with the flexibility to increase their power levels so as to promote competitiveness, or it should do so by revising the Table of Allotments itself, so as to foster a competitive environment, rather than handicapping half of the television stations in their transition to a digital world.

## Specific Allotment Concerns, WWLF, Hazleton, Pennsylvania and WILF, Williamsport, Pennsylvania

The Commission has allotted digital channel 29 to Pegasus station WILF, Williamsport, Pennsylvania and digital channel 9 to Pegasus station WWLF, Hazleton, Pennsylvania.

However, in doing so, the Commission has made the allotments at the transmitter sites specified in the current licenses for these facilities. Pegasus has been granted construction permits for the modification of these facilities. See FCC File Numbers BPCT-960214KF and BPCT-951215KF. The WWLF construction permit application was filed on December 15, 1995, while the WILF application was filed on February 14, 1996. Most applications filed on those dates seeking the minor change in the facilities of an existing station would have been granted long before the April 3, 1997 cut-off date for inclusion in the Digital Table of Allotments. However, due to various processing delays in connection with the these applications, including the filing of an Informal Objection by the owner of a station which competes in the market in which these stations operate, the grant of these applications was not made until April 21.

However, Pegasus plans to implement these applications in the near future, and desires to build its digital facilities at the locations at which the new analog facilities will be constructed.

As other stations which filed construction permit applications at the same time, or in many instances later than the filings of Pegasus, have been allotted digital channels based on the

- 5 -

construction permits granted prior to the April 3 cut off date, Pegasus' stations, which had their

permits delayed through no fault of their own, should be treated in the same fashion. The digital

allotments for Pegasus for WILF and WWLF should be made at the transmitter sites specified in

their respective construction permits cited above, rather than at the sites at which they are now

licenses. Pegasus respectfully requests that these changes be made in the Table of Allotments.

**Conclusion** 

For the foregoing reasons, Pegasus requests that the Commission reconsider the decisions

made in its Sixth Report, minimize the differentiation between the current UHF and the current

VHF stations when they are allotted UHF channels for digital use, and make the specific changes

to the transmitter sites of Pegasus stations WWLF and WILF set forth above. Pegasus

respectfully requests that these reconsideration requests be granted.

Respectfully submitted,

**PEGASUS COMMUNICATIONS** 

David D. Oxenford

**CORPORATION** 

Its Attorney

Fisher Wayland Cooper Leader

& Zaragoza L.L.P.

2001 Pennsylvania Avenue, N.W.

Washington, D.C. 20006

(202) 659-3494

Dated: June 13, 1997

G:\DATA\USER\VAANY\9717-000\9717000.PY